

# MINUTES—SPECIAL SESSION OF HOUSE OF DELEGATES OF CALIFORNIA MEDICAL ASSOCIATION

AT LOS ANGELES ON MARCH 2, 3, 1935

## OFFICIAL MINUTES, SPECIAL MEETING, HOUSE OF DELEGATES, CALIFORNIA MEDICAL ASSOCIATION

Minutes of the Meeting of the First Day  
Saturday, March 2, 1935, 1 o'clock a. m.

In response to the call issued by the Council, the House of Delegates of the California Medical Association convened in special session in the Los Angeles County Medical Association Building, 1925 Wilshire Boulevard, Los Angeles, California, on Saturday, March 2, 1935, at 1 p. m.

The meeting was called to order by Speaker Edward M. Pallette.

The Speaker: The meeting will please come to order. The first order of business is the report of the Credentials Committee, Dr. Eric Larson, chairman.

The Speaker: You can report on the list as submitted.

Doctor Larson: Yes, we can approve the list that has been submitted and the delegates that have badges.

The Speaker: The secretary will call the roll. At this time, I would like to introduce to this House of Delegates Dr. Frederick C. Warnshuis, our new secretary. (Thereupon the secretary called the roll.)

### REFERENCE COMMITTEES NOS. 1 AND 2

The Speaker: The secretary reports a quorum present. The Speaker at this time would like to announce an additional committee, a Reference Committee. We had appointed one Reference Committee, consisting of Dr. Philip K. Gilman of San Francisco as chairman, F. N. Scatena of Sacramento and Lowell S. Goin of Los Angeles. The Council has found that there will be so much work for this committee to do that we are going to limit their work to a consideration of the recommendations on the report of the Committee of Five, so that there will be an additional committee to consider other resolutions. This will be Reference Committee No. 2, Dr. Carl R. Howson of Los Angeles, chairman. L. R. Chandler of San Francisco and George H. Kress. The Speaker has appointed Dr. E. V. Askey as sergeant at arms.

### EXECUTIVE SESSION

Doctor Clarke: I move that this House of Delegates go into executive session, and that only those who are accredited delegates and members of the California Medical Association be permitted to participate in this executive session.

The Speaker: Is there a second to this motion?

Doctor Kelly: I second it.

The Speaker: It is moved and seconded that we go into executive session, and that only members of the House of Delegates and members of the California Medical Association be admitted. Those in favor say aye. Those opposed say no. It is carried. The secretary will now read the call for the special meeting.

(Secretary reads call for special meeting.)

The Speaker: The House is now duly constituted and open for business under the call. The next order of business is the report of Doctor Molony.

Doctor Molony: Mr. Speaker, may we have the Supplement to the Preliminary Report submitted to the California Medical Association Committee of Five for the study of medical care?

I would like to have that report distributed to the delegates.

Mr. Speaker, and members of the House of Delegates of the California Medical Association: The Committee of Five appointed upon the authority of the House of Delegates at the meeting of the California Medical Association at Riverside in 1934, respectfully submits the following report.

### REPORT OF COMMITTEE OF FIVE

I

March, 1, 1935.

#### *To the House of Delegates:*

(a) The Committee of Five, appointed under the authority of the House of Delegates at the meeting of the California Medical Association at Riverside in 1934, respectfully submit this report. The following resolution was adopted at the above-named meeting:

*Resolved*, That a committee be, and hereby is constituted, consisting of two members of the Council to be appointed by the chairman of the Council, and three members of the House of Delegates to be appointed by the Speaker of the House, whose duty shall be the consideration of health insurance.

*Resolved*, That this committee shall be instructed to conduct an adequate study and survey of the problem as it applies to California and to formulate a plan for the administration of health insurance and to prepare a bill for suitable legislation which may be available for presentation in the 1935 session of the California State Legislature.

*Resolved*, That the Council be, and is hereby instructed to appropriate funds sufficient to employ adequate and competent technical and legal assistance and advice for the purpose of this committee.

(b) The members of the Committee of Five are Doctors Robert A. Peers, Alson Kilgore, Rodney Yoell, Harry H. Wilson, and William R. Molony, Sr.

(c) The organization meeting was held in Los Angeles on June 2, 1934. At the meeting it was voted that the committee operate under the name of the California Medical Association Special Committee for the Study of Medical Care. Dr. William R. Molony, Sr., was elected chairman, and Dr. Harry H. Wilson was elected secretary. After many conferences the survey was organized, with Paul A. Dodd, Ph. D., as director of the survey. He is assistant professor of economics, University of California at Los Angeles, and Gordon S. Watkins, Ph. D., as supervising director, consulting economist, professor of economics, University of California at Los Angeles.

(d) An advisory council, consisting of the following, were named: John B. Canning, Ph. D., professor of economics, Stanford University; Arthur G. Coons, Ph. D., dean of men and associate professor economics, Occidental College; Rockwell D. Hunt, Ph. D., dean of the Graduate School, University of Southern California; the Reverend James J. Lyons, S. J., president of the University of Santa Clara; Samuel C. May, Ph. D., professor of political science, director of the Bureau of Public Administration, University of California.

(e) The director started the work of the organization of the survey on August 1, 1934. The first meeting of the committee was held on August 13, 1934, at which time the outline of the study was approved.

The possibility of securing aid for field and tabulation work from the Government through the SERA having been discussed, the first application for aid

from this source was made on August 25. It was only after many conferences with State and Federal authorities by Doctors Dodd and Wilson that the application was finally approved. The field work started in Orange County on October 3 and continued in Riverside County a week later. On the basis of a preliminary report to Washington of our organization set-up and our findings through the field work in Orange and Riverside counties, the Federal Government approved the project and authorized an appropriation for the work.

In order that the information called for in the survey might be representative of the whole State and of the different industries in the various parts thereof, the field work was done in twenty-six counties, representing the urban, suburban, farming distribution of the population, so that the field work, state-wide in extent, which began on October 3 in Orange County and extended from Humboldt County on the north to San Diego County on the south, was finally completed on January 16, 1935. The objective of the Survey was to ascertain from all available sources the information as to experience of the people of California as to sickness, together with all of the agencies concerned in the medical and hospital care. A questionnaire was sent to every physician and surgeon, osteopath, and dentist in the State. Considerable difficulty was experienced in obtaining the prompt coöperation from these groups, and repeated requests were necessary in order to obtain even a fair return.

3,600 complete returns were received from the physicians.

2,000 complete returns were received from the dentists.

800 complete returns were received from the osteopaths.

230 complete returns were received from the hospitals.

150 complete returns were received from the clinics.

24,000 completed questionnaires or schedules were obtained from families.

21,000 by the field worker, and 3,000 by mail from sparsely settled districts.

Since the completion of the field work, the tabulation of the results has been under way and, while good progress has been made in this regard, the director, Doctor Dodd, states that this phase of the work cannot be completed before May or June of this year. During December, 1934, January and February, 1935, the committee has had many meetings, contacting from time to time the Advisory Council, the Research staff, the Council of the California Medical Association, the Interim Committee of the State Senate, and other interested agencies.

By reason of the magnitude of the undertaking, the time-consuming task of proper tabulation of the results of the Survey, and the lack of time for a thorough digest of the information at hand, has made it very difficult for the Advisory Council, the Research staff, and the committee to make a comprehensive and deliberate study for the purpose of submitting a report which will adequately convey the real situation in California.

(f) When it was found necessary that a governmental agency must sponsor any project before Federal funds could be made available, the California State Department of Public Health gave their unqualified sponsorship to the project. The committee wishes to express their appreciation of this action.

(g) The Committee of Five desires to express its cordial appreciation of the spirit of coöperation in its work accorded by the Senate Interim Committee.

## II

(a) The committee has available as a part of this report a financial statement including an outline of the scope of work as accomplished and contemplated for final presentation when desired.

## CALIFORNIA MEDICAL-ECONOMIC SURVEY

### Financial Report

Expenditures—August 1, 1934 to March 1, 1935:

#### Salaries—

Full time staff—Administrative and office .....	\$7,042.76	
Statisticians .....	1,697.66	
Field supervisors and visitors .....	3,538.57	
Professional coders, editors and machine operators.....	1,059.10	
Part-time office help.....	695.43	\$14,033.52
District office expenses.....		319.95
Furniture rental .....		445.00
Machine rental .....		489.56
Office rental .....		373.51
Postage .....		2,382.04
Printing .....		2,090.70
Reports, books, etc.....		79.40
Office supplies .....		1,187.23
Telephone and telegraph.....		594.19

#### Traveling expenses—

Meals .....	477.10	
Hotels .....	512.50	
Transportation (fare) .....	907.60	
Postage .....	38.37	
Telephone and telegraph .....	85.40	
Tips .....	49.45	
Supplies .....	41.43	
Miscellaneous .....	203.42	
Car expense .....	704.84	3,020.11
Maps and field supplies.....		167.89

#### Contingent expenses—

(Insurance, freight, bonds, etc.) .....	232.17	
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Total expenditure by California Medical Association..... - \$25,415.36

#### SERA Government Appropriation—

Original .....	\$41,505.20
Supplement .....	13,920.22

\*Total SERA Appropriation..... 55,425.42  
\$80,840.78

Total receipts from California Medical Association .....

Total expenditures—August 1, 1934 to March 1, 1935..... 25,415.36

Cash balance .....

Balance in bank, March 1, 1935.....

Petty cash fund on hand.....

Total cash balance .....

\*Note: Government appropriations include all grants necessary to finish survey work. About \$4,000 still remains to be used from these government grants. These appropriations were secured upon official request by the California State Board of Health.

(b and c) The preliminary report of the staff to the Committee of Five has been submitted to each member of the House of Delegates together with the supplementary report, which is now available. The correlation of the statistical data as gathered will be continued and when properly digested will be made available in the final report of the committee and the Survey staff on completion of the study.

(Exhibit B—Preliminary Report of survey.)

(Exhibit C—Supplementary Report of survey staff.)

## CONCLUSIONS

In order that the medical profession may continue to serve the people of the State in the prevention of disease, the maintenance of health and the curative care of illness, in a manner that will meet the apparent economic factors, and at the same time protect public welfare by safeguarding to the medical profession the functions of control of professional standards, the continued advancement of educational requirements and at the same time not destroy the initiative which is vital to the highest type of medical service,

The committee recommends that the House of Delegates adopt as its plan the furnishing of health service on a voluntary basis to the people of California on the plan and by the mechanism herewith outlined, rather than approve of the establishment of compulsory health insurance.

The proposal which has been adopted by the committee for recommendation to the House of Delegates is one primarily prepared for the committee by a subcommittee of one, and will be presented to the House of Delegates by this subcommittee.

In accordance with the instructions of the House of Delegates in constituting the Committee of Five, a health insurance bill was submitted to the House of Delegates. The majority of the committee believe that compulsion as embodied in the compulsory health insurance bill is incompatible with adequate medical care to the greatest number of people in the State of California; therefore, though fulfilling the instructions that a bill be drafted which may be available, the committee recommends that it be not adopted as representing the policy of the California Medical Association.

The bill was primarily drawn by a subcommittee of one, and will be presented to the House of Delegates as a part of a minority report by this committee.

Respectfully submitted,

WILLIAM R. MOLONY, *Chairman*

ALSON KILGORE

ROBERT PEERS

HARRY H. WILSON

Minority: Rodney Yoell.

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Doctor Molony: You have had sent to you the Preliminary Report, the large bound volume, on January 16, or some time after that, and today you have the Supplementary Report of the work completed to date. This is respectfully submitted and signed William R. Molony, Alson Kilgore, Robert Peers, Harry H. Wilson. I think it would be advisable at this time for Doctor Kilgore to present to the House a Committee of One's report as far as voluntary insurance is concerned.

The Speaker: Doctor Kilgore.

Doctor Kilgore: Mr. Speaker and members of the House: It is my understanding that it is not in order at this time to introduce argument. I shall confine myself, therefore, to presenting the report of the Committee of One to the Committee of Five, which has been made a part of the report of the Committee of Five, with instructions and explanatory comments. This has been presented through the mails to all the delegates in the form of a mimeographed set of sheets headed here "Proposed Declaration of Purpose by the California Medical Association." Mr. Speaker, does the House desire that I shall read this all. Each and every one here has a copy.

(Report presented.)

#### REPORT AND RESOLUTION OF DOCTOR KILGORE ON A PLAN OF VOLUNTARY INSURANCE

##### *To the House of Delegates:*

This report as submitted consists of: (1) a preamble; (2) an outline of a plan; (3) a resolution embodying the principles of a voluntary health insurance plan to be considered by the California Medical Association.

Your committee recommends that the report be amended to delete x-ray, laboratory and anesthesia from the hospital services.

If the House of Delegates adopt the principles contained in this report as amended, the House of Delegates should not commit itself to the detached provisions of the specific plan (Part 2 of the report), but should have the Council or other delegated body free to modify details after conference with all other interests involved, and to adopt and support any plan of voluntary service consistent with said principles.

##### PREAMBLE

The medical profession of California recognizes that inevitably increasing costs of good medical care

coupled with an increasing percentage of population in low income groups has presented a growing social problem. We have earnestly sought methods of meeting this problem and have been forced to conclude that it can be met only by spreading the costs of the illnesses of the few among the many subject to the risk, *i. e.*, by health insurance.

The California Medical Association further recognizes that not only should health insurance be made available but that, for the final solution of the social problem involved, the system may very well have to be a compulsory one, for the very obvious reason that under a strictly voluntary system some individuals who most need protection will not accept and pay for it.

The profession clearly recognizes grave dangers and faults of health insurance, some inherent in the system itself, others avoidable or at least minimizable by careful planning on a basis of practical experience. Among these dangers are:

(1) Interference by an administrative machinery between patients and their physicians.

(2) Development of political control and a bureaucracy of supervision, sapping funds which should be used for the care of the sick and degrading medicine and medical service.

(3) Diversion of time and energy to the red tape of "paper work" and to the prevention of malingering—time and energy which should be spent only in medical service to the sick.

Recognizing these and many other dangers, the California Medical Association appreciates its obligation to the people of the State to plan and conduct this branch of health service to the community in such form and manner as to preserve (in so far as is humanly possible) the highest standards of service of physicians to the community. We must see to it that health insurance is organized and operated so that its evils will be minimized and its advantages best utilized for the people.

The California Medical Association is cognizant not only of the above dangers but also of the difficulty and complexity of the problems of organization and administration of a system suitable for America. The people of California would, and should not, be satisfied with health insurance furnishing, as in the British system, only office and home treatment, leaving them to the mercy of charity when special services and hospital care are required. The experience of foreign systems will not furnish solutions to all the intricate and complex relationships of consulting services in all the specialties, to say nothing of hospital care.

At the present time the California Medical Association believes that no one can be sure of the best answers to many of the problems involved and that no amount of theoretical debate will suffice. We believe that these problems should be worked out in the school of practical experience before the provisions are incorporated into law, because any initial legislative error might well prove costly and disastrous.

We believe that with experience first in the actual practical operation of health insurance on a voluntary basis, we shall arrive sooner at a more satisfactory compulsory system than if attempt is made to write the final law today.

The California Medical Association, therefore, proposes to set up, on its own responsibility with the coöperation of hospitals and other interested groups, and offer to the people of California a health insurance service and to this end has adopted the following resolution of instructions to its Council.

##### RESOLUTION

WHEREAS, The California Medical Association recognizes that the costs of illness and the attendant medical, dental and hospital care are now unevenly distributed and constitute a grave financial hazard to those of moderate and low incomes; and

WHEREAS, The California Medical Association also recognizes that, on account of this very financial haz-

ard, many individuals faced with serious illness must often choose between charity and inadequate care; and

WHEREAS, After nine months' study and the expenditure of a large sum of money with the coöperation and financial support of the Federal and State governments, it has become apparent that the only practical solution to this problem at present available is the utilization of the insurance principle; and

WHEREAS, The California Medical Association believes that arrangements should be made whereby those of moderate and low incomes may provide against these financial hazards by the utilization of this principle of insurance; and

WHEREAS, The California Medical Association believes that, since it constitutes the organized medical profession of this State, an effort to solve the problem of providing ways and means for the above purposes constitutes a part of its obligation to the people of California; now, therefore, be it

*Resolved,*

(1) That the California Medical Association establish an organization for the specific purpose of providing means whereby the costs of care in sickness and injury for those of moderate and low incomes may be met by the method of periodic payments in advance.

(2) That this organization shall contemplate providing for meeting costs of both professional services and hospital care.

(3) That the Council be and is hereby instructed to perfect a plan of organization, scope of service and rules of operation for the purposes herein set forth, and that the Council be and is hereby instructed to set it up and cause it to be put into operation as soon, and for such scope of service, as may be found lawful and practical, specifically having in mind that, whatever initial scope of service and operation may be determined upon, it is the eventual purpose of the California Medical Association to make the use of this contemplated organization available to all citizens of the State (within certain income limits) for provision against costs of both complete professional service (including specialists' services, surgical operation, dental care as it relates to the eradication of infection) and hospital care.

(4) That, in the plan of organization and rules of operation, the following provisions shall be adhered to:

(a) Both financial and administrative responsibility shall be assumed by the organized medical profession through such organization.

(b) Free choice of physician, dentist and hospital by patient shall be maintained.

(c) Practice under the plan shall be open to reputable physicians and dentists, regardless of membership in the California Medical Association or the State Dental associations.

(d) In so far as is humanly possible in the conduct of any plan of collective financial action, the traditional private patient-private physician relationship shall be maintained.

(e) Compensation to physicians shall be on a basis of services rendered.

(f) Compensation to physicians shall be paid only for services personally rendered (except that special permission may be given physicians to have bona fide assistants associated with them in furnishing services).

(g) Arrangements for provision of dental care contemplated shall be made by and with the State Dental Associations.

(h) The plan shall be operated without profit to anyone.

(5) That the Council be and is hereby instructed to appropriate such sums of money as may be necessary to the accomplishment of the purposes of this resolution, and in addition to assess (or levy) such amount of per capita contribution by physicians and dentists desiring to care for patients under the arrangements contemplated as may be deemed necessary for organization and institution of operations.

(6) That the Council be and is hereby instructed to take steps toward securing any and/or such legal enactments as may be necessary for the lawful carrying out of the purposes of this resolution.

Respectfully submitted,

ALSON KILGORE.

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The Speaker: These reports will be referred to Reference Committee No. 1. Any other report from the Committee of Five? Have you any report, Doctor Yoell?

Doctor Yoell: Mr. Chairman and fellow members of the House of Delegates of the California Medical Association. This is a minority report of the Committee of Five to the Council of the California Medical Association, pursuant to the instructions passed by the House of Delegates at its last meeting.

(Report read.)

#### REPORT OF DOCTOR YOELL ON A PLAN OF COMPULSORY SICKNESS INSURANCE

*To the House of Delegates:*

Your committee has carefully and at great length considered the problem under discussion. We are of the opinion that the present system of medical practice is not satisfactory inasmuch as the people are not receiving nor can they receive proper medical care, as it now functions.

This situation is directly traceable to the undoubted inability of a large majority of the population to finance on an individual basis the essential cost of health service.

It seems logical, therefore, that the insurance principle be applied as a method of accomplishing by coöperation that which cannot be accomplished individually.

Our studies have shown that it is the almost universal experience in civilized countries which have tried the insurance principle that such application must be compulsory to be effective and we, therefore, recommend that the House of Delegates of the California Medical Association endorse the principle of compulsory health insurance and ask at this session of the legislature the enactment of such statutes as will carry it into operation.

We further consider and are of the opinion that only by this method will proper medical service be secured to the people, and only under this method can the medical profession survive in an independent rôle. It is not a question of voluntary insurance versus compulsory insurance; viewing the political scene we feel it is either insurance or some form of state medicine.

The following minority report of the Committee of Five is offered pursuant to your instructions. A plan is submitted for a system of compulsory health insurance and a bill is offered in support of the plan, which coördinates much legal and technical opinion. We suggest that the principles embraced in the plan and the bill be the basis of discussion with the Senate Interim Committee as representative of the opinion of organized medicine.

The final draft of the bill should contain a change in the composition of the commission. We endorse the proposal of the Advisory Committee that the commission should consist of five members, at least two of whom must be physicians; that three names for each commissionership should be submitted to the Governor by the Board of Regents of the University of California.

We suggest the elimination of certain recognized religious sects from the provisions of the act be considered.

We recommend the elimination of Section 33, page 26, and we recommend that no provision be made for contribution to the fund by the State.

Respectfully submitted,

RODNEY YOELL.

The Speaker: This report will be referred to the committee.

The next order of business is communications from the Council. Dr. T. H. Kelly.

#### COMMUNICATION FROM THE COUNCIL

Doctor Kelly: Mr. Speaker and members of the House of Delegates of the California Medical Association: The Council has called this House into session to consider the report of the special Committee of Five upon health insurance in California and such other matters as the Council may present to you. The report of the special committee you have heard from that committee. The Council desires to recommend to you that in the consideration of this report, you exercise the greatest care and thought. The Council believes that the House of Delegates should, in its action upon this report, decide the following questions:

1. Is the House in favor of the continuation of the present forms of medical practice in California?

2. Is the House in favor of a state-wide plan of voluntary medical and hospital insurance under the California Medical Association, and with the necessary enabling legislation to put it into effect?

3. Is the House in favor of a compulsory plan of health insurance, and if so, by legislative enactment or by initiative or constitutional amendment, and with what minimum provisions for medical administration of medical care?

4. If the House favors a voluntary plan, does it wish to formulate minimum standards of medical administration for a compulsory plan if the same should later come into being?

5. If the House favors compulsion, does it wish to authorize a voluntary plan to be put into effect by the California Medical Association in the event—a possible one—that compulsory health insurance fails to pass this legislature?

6. In the event that the House favors no change in the present forms of medical practice, is it in favor of the development and extension of hospital insurance plans fostered or controlled by the hospitals of California or by organized medicine?

The Council urges that these questions be answered, in order that it may have the authority to proceed according to the best interests of medicine and public health, regardless of what adverse action any determination of the policy by this House may meet in the immediate future.

Further, the Council urges that the House express itself upon the matter of county hospitals, the corporate practice of medicine and compensation for medical services rendered to those on relief. An attempt is being made to open up county hospitals to all residents regardless of their economic status, and this House, in the opinion of the Council, should go on record against the forces seeking to thus undermine the practice of medicine, and to introduce the worst form of State medicine that we could have. Corporations seeking to promote their ends are ever attempting to encroach farther into the practice of medicine, and the House should express itself upon this matter.

Finally, because of causes beyond the control of medicine in California, there has been a complete failure to develop any coördinated plan of medical care under the relief program in California. Medicine has been called on to care for all of those needing it, and little has been returned to those physicians giving, thus, of their time and skill. The House should urge both the Federal and State Emergency Relief Administrations to rapidly develop and put into operation a plan for medical care of those on relief in California, the plan to be worked out in conjunction with organized medicine, as stated by the rules and regulations No. 7 of the FERA.

The Council wishes to introduce, through its chairman, three resolutions that deal with those last three matters in the report, and they are introduced to put the question on the floor of the House. The House can do anything it wants with them. (See Reference Committee No. 2 report on resolutions presented.)

The Speaker: This communication and the other resolutions are referred to the Reference Committee

No. 2, of which Doctor Howson is chairman. Other resolutions from the floor are now in order.

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#### RESOLUTIONS FROM THE FLOOR

Doctor Ingber: In order to bring this matter properly before the House of Delegates, I have two resolutions here from the members of the San Francisco delegation.

The Speaker: Will you read them, please?

Doctor Ingber: Resolution No. 1. (Reads Resolution No. 1.) (See Reference Committee report.)

Resolution No. 2. (Reads Resolution No. 2.) (See Reference Committee report.)

The Speaker: These resolutions will be referred to Reference Committee No. 2. Are there any other resolutions?

Doctor Anderson: Mr. Speaker and House of Delegates: (See Reference Committee report.)

The Speaker: This resolution will be referred to Reference Committee No. 1. Any other resolutions?

Doctor Scott: (Reads resolution.) (See Reference Committee report.)

The Speaker: This resolution will also go to Reference Committee No. 1. Any other resolutions?

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#### INFORMAL DISCUSSION

Now, this completes our docket for today. We can do one of several things.

According to the docket, we will adjourn until ten o'clock tomorrow morning. However, we can do this, if you so desire, we can have an evening session. These committees can adjourn at this time and get busy, and report back here probably at eight o'clock tonight, because the big part of this meeting is a discussion of these resolutions. We may get through by working all day tomorrow, and we may not. That depends on how much there is to be done, and so it has been suggested that an evening session might shorten the work tomorrow a great deal. Is it desired to have an evening session?

Doctor Wilson: It will be difficult for your Reference Committee to listen to discussions this afternoon and bring in any sort of constructive report by eight o'clock tonight. I don't think we can.

Doctor Molony: As a matter of fact, there is nothing before the House until the Reference Committees Nos. 1 and 2 have made their reports.

Doctor Ingber: May I make a motion to recess until tomorrow morning?

A Doctor: I second it.

The Speaker: The substitute motion is that we recess until tomorrow morning. Are there any remarks?

Doctor Crosby: I think that the Reference Committees ought to tell us whether they want to present anything to us tonight, and I think we ought not to put up recessing until tomorrow morning until we have an expression of opinion from the Reference Committees.

The Speaker: Doctor Gilman.

Doctor Gilman: It will be very difficult to have a complete report by eight o'clock tonight and have it in good shape to present to this society.

The Speaker: Doctor Howson.

Doctor Howson: I think Reference Committee No. 2 will probably be able to report by eight o'clock this evening.

The Speaker: We could take up No. 2 first. They are separate questions. If we could adjourn until this evening and have a report from Committee No. 2 and act upon it.

Doctor Kerr: I should like to ask if it would not be possible to have a discussion this afternoon. The committees would have today and all night if they chose to discuss the matters, and recess then until tomorrow morning.

The Speaker: Well, that might be enlightening to the committees. The committees are open for discussion at all times. Different members do go before the committees and discuss, and we could have this discussion open this afternoon, if you want to do it. The question now is that we can adjourn now until tomorrow morning, or when we adjourn, adjourn until tomorrow morning.

The Speaker: Those who are in favor of having an evening session will please stand. Now, those who are opposed to an evening session will please stand.

The Secretary: Mr. Speaker, 77 yes, 24 no.

The Speaker: The motion prevails. This motion would change the docket as given by the Council, and so it requires a two-thirds vote, and we will have the evening session. The motion is carried.

Doctor Wilson: Mr. Speaker, is it in order to make a suggestion? It would seem rather desirable, in view of the discussion, to have an open discussion tonight, and then let the committee retire tonight and have the resolutions submitted and the value of the discussions, and then make the reports in the morning.

Doctor Kress: They might bring in a report covering the consensus of the report.

The Speaker: You have already voted to have an evening session.

Doctor Kress: I move, Mr. Chairman, that we proceed with an informal discussion by this House of Delegates at this time.

Doctor Reiss: I second that.

The Speaker: It is moved by Doctor Kress, and seconded by Doctor Reiss, that we continue with an informal discussion. These committees, if they wish, can adjourn or stay here and get ideas. Are there any remarks? Those in favor, say aye. Opposed, no. Carried. The floor is now open to anyone who wishes to make a speech. I have an announcement to make. There will be a dinner at six o'clock, upstairs. All delegates are invited as guests of the Los Angeles County Medical Association.

A general discussion was then engaged in by Delegates Powell, Hale, Yoell, Crosby, Shepherd, Ullmann, Burns, and Ruddock.

Doctor Howson presented the following resolution:

WHEREAS, The organized medical profession of the State of California fully recognizes the difficulties and problems faced by those of its citizens having incomes below or near the subsistence level when confronted by the necessity of making provision for serious illnesses; and

WHEREAS, We not only view sympathetically any attempts to make it possible for such citizens and their families to meet such problems, and for several years we have been making intensive studies with a view to finding a solution which shall be a true solution and not merely an alternative resulting in more serious difficulties and in inferior medical services; and

WHEREAS, It is well known that the type of medical care received by the American people is, on the average, much superior to that of any other country; and

WHEREAS, Because of this and because also of the much greater individualism which is an integral part of our heritage, it is our belief that none of the systems of compulsory health insurance in effect in any other country is applicable to conditions here or furnishes any reliable criterion upon which to base such a system for the country or State; and

WHEREAS, Careful study of the problem quickly reveals innumerable difficulties inherent in any attempt to transplant or adopt any European system to the conditions existing here; and

WHEREAS, Improperly conceived plans have and will inevitably result in deterioration of the quality of the medical care supplied to the insured; and

WHEREAS, Experience has shown that the widely varying conditions found in different localities result in plans which may be satisfactory in one section, proving utterly unsuitable for another district; and

WHEREAS, For these reasons the medical profession is attempting to learn the difficulties inherent in any plan aiming at a solution of this problem, and there are now in effect over 150 different schemes in localities scattered over the entire country; and

WHEREAS, We believe it would be definitely detrimental to the public interest were measures for compulsory health insurance placed upon the statute books at this time; and

WHEREAS, We further believe that in view of the experiments now being conducted by the medical profession which have brought to light many serious difficulties which could not have been foreseen, the solution of which can be found only by experience, that further time should be permitted them to arrive at a solution of the entire problem which shall be free from the defects inherent in all plans heretofore in effect, and which must inevitably creep into any plan which is based upon purely theoretical considerations, which are all that are available as yet; now therefore be it

*Resolved*, That it is the opinion of the House of Delegates of the California Medical Association that no legislation for compulsory health insurance should be passed at the 1935 session of the legislature.

✓ ✓ ✓

A Member: I move that we adjourn until 8 o'clock.

Another Member: I second the motion.

The Speaker: I have been requested to say that there is a Publicity Committee which will contact the newspapers, and it is requested that the members do not talk to reporters.

Doctor Wilson: A motion to adjourn takes precedence, but today we agreed to meet tonight at 8 o'clock. I doubt seriously if Reference Committee No. 2 that has been sitting here in the discussions this afternoon, and from the progress that Committee No. 1 is making they will be able to make a comprehensive report tonight, and in view of the fact that a general discussion has been made available this afternoon, I will move for a reconsideration of the question as to when we should meet again.

A Doctor: I second the motion.

The Speaker: If there is no objection, we will put the motion. It is moved and seconded that we reconsider the motion whereby we agreed to have an evening session. Any remarks? Those in favor say aye. Opposed, no. Carried.

Doctor Wilson: I move that the House meet tomorrow morning as previously scheduled at 10 o'clock.

Doctor Powell: I second the motion.

Voices: Make it 9 o'clock.

Doctor Powell: Nine o'clock will be all right.

The Speaker: It is moved that when we adjourn we meet at 9 o'clock tomorrow morning. Is there a second?

Doctor Powell: Yes.

The Speaker: Are there any remarks?

Doctor Kelly: Just one moment, please. I am speaking for the secretary who has this unusual California voice that he apologized for. The Council voted to pay the railroad fare and the lower Pullman berth both ways of all delegates who had to buy railroad tickets and lower Pullman, and if you will send a statement of your expense to the secretary, or leave it with him during the session here, as soon as we get back to San Francisco checks will be mailed to you. If you drove your automobile you will be paid your railroad fare from where you came, and we will find out what the railroad fare would have been and send an equivalent check.

(Thereupon an adjournment was taken for the day.)

**Minutes of the Meeting of the Second Day****Sunday, March 3, 1935, 9 o'clock a. m.**

The Speaker: We will now listen to the roll call.

The Secretary: Mr. Speaker, your secretary holds in his hand the signed attendance slips of ninety-four delegates, and recommends that some delegate move that these attendance slips and those presented later constitute the roll call of this second session of this special session.

Doctor Chandler: I so move.

Doctor Reiss: I second the motion.

The Speaker: It is moved and seconded that this be the roll call. All those in favor say aye. Those opposed, no. Carried.

Now, gentlemen, we are ready for the report of the two reference committees, and it has been suggested that we handle it in this way, that the Reference Committee No. 1 read its report, with its recommendations, and then Reference Committee No. 2 read its report, with its recommendations. In that way you will get a picture of the whole thing, not one side without the other, and then we will go back and take up the recommendations of Committee No. 1 and pass on them. Is there any objection to that way of considering it? If not, Doctor Gilman will read the report of Reference Committee No. 1, with the recommendations of the committee thereon.

**REPORT OF REFERENCE COMMITTEE No. 1**

Doctor Gilman: Mr. Speaker and members of the House of Delegates: Your Reference Committee in taking up the resolution submitted by Doctor Scott—do you wish that resolution read? It is recommended at the suggestion of the author that it be withdrawn.

The Speaker: There is no objection?

**RESOLUTION NO. 1, INTRODUCED BY DR. INGBER**

Doctor Gilman: In respect to Resolution No. 1 introduced by Irving Ingber of San Francisco, this resolution your committee renders no report on, by consent of its author. Do you wish it read?

The Speaker: Will you read it, Doctor, please?

(Said resolution read.)

Doctor Ingber: That is not the resolution, sir. Here is the copy of the resolution that was handed to me and that was asked to be withdrawn.

Doctor Gilman: I have said that was my recommendation, sir, to withdraw this resolution, and some one requested to have it read.

Doctor Ingber: I thought it was withdrawn. Pardon me, sir.

Doctor Gilman: Repeating it, then, we rendered no report on this, at the request of the author.

The Speaker: If there is no objection, this will be considered withdrawn.

Doctor Gilman: Report of the Committee of Five. (Report read.)

The Speaker: No action will be taken at this time.

**RESOLUTION AND REPORT OF THE COMMITTEE OF ONE (DR. KILGORE) ON A PLAN FOR VOLUNTARY INSURANCE**

Doctor Gilman: Report and resolution of the Committee of One for voluntary health insurance, which is presented in the majority report of the Committee of Five. This report as submitted consists of one, a preamble, and two, an outline of the plan; three, a resolution embodying the principles of voluntary health insurance to be considered by the California Medical Association.

Doctor Gilman: The minority report of the Committee of Five.

(Report read.)

**RESOLUTION OFFERED BY DOCTOR HOWSON**

Doctor Gilman: The resolution submitted by Doctor Howson.

(Resolution read.)

Doctor Gilman: Council recommendations. These were referred to the No. 2 Committee, and by that committee referred, in part, back to Committee No. 1. (Resolution read.)

**RESOLUTION NO. 2, INTRODUCED BY DOCTOR INGBER**

Doctor Gilman: Finally, Resolution No. 2, introduced by Dr. Irving Ingber of San Francisco. The resolution reads:

(Resolution read.)

Doctor Gilman: That is the original resolution as introduced. Your committee has amended this resolution to read as follows:

(Resolution read.)

Doctor Gilman: Your committee recommends amending the above amended resolution to read as follows:

(Resolution read.)

Deleting the word "mandatory" as to certain population groups and "voluntary" as to certain population groups.

**REPORT OF REFERENCE COMMITTEE No. 2**

The Speaker: We will now ask the chairman of Reference Committee No. 2, to read the report of that committee.

Doctor Howson: Mr. Speaker and members of the House: Your Reference Committee No. 2 reports as follows:

(Reads report.)

Doctor Howson: I may say that the amendments made by the committee were matters of phraseology only.

**COUNCIL RESOLUTION B**

Council Resolution B, as amended.

(Reads resolution.)

Your committee recommends that this do pass.

**COUNCIL RESOLUTION C**

Council Resolution C.

(Reads resolution.)

Your committee recommends that this do pass.

**RESOLUTION INTRODUCED BY DR. ANDERSON**

Resolution presented by Dr. C. Max Anderson, as amended.

(Resolution read.)

This has been submitted without recommendation.

The second portion of the resolution submitted by Doctor Anderson now incorporated in a separate resolution reads as follows:

(Resolution read.)

This resolution is submitted without recommendation.

**ACTION OF HOUSE ON COMMITTEE REPORTS**

The Speaker: We will now take up the different recommendations of these two committees for action.

Doctor Gilman: Mr. Speaker: Your Committee No. 1 would like to introduce a further resolution, an emergency resolution, which was unavoidably delayed in being typewritten this morning, if such is possible.

The Speaker: If there is no objection we will hear the resolution and consider it.

Doctor Gilman: (Reads resolution.)

The Speaker: I think this would properly come from the Reference Committee No. 2, and I think it probably should be considered last, and if there is no objection we will consider it last. We had better have these all re-read, so we will know what we are acting upon. Please read the first recommendation.

Doctor Gilman:

**REPORT OF COMMITTEE OF FIVE**

WHEREAS, After the expenditure of eight months' time and a large sum of money, with the coöperation and financial support of the Federal and State governments, in a study of the problem of adequate medical care for the people of California, the Committee of Five has rendered the attached report; and



WHEREAS, The report represents a most valuable and comprehensive contribution; therefore be it

*Resolved*, That the Committee of Five be assured of the gratitude and appreciation of the California Medical Association.

Your Reference Committee recommends the adoption of this report and this resolution.

F. N. SCATENA  
C. G. GOIN  
P. L. GILMAN

Doctor Gilman: I recommend the adoption of this resolution as amended.

The Speaker: Is there a motion?

Doctor Crosby: I move its adoption.

Doctor Kerr: I second it.

The Speaker: It is moved by Doctor Crosby and seconded by Doctor Kerr that this resolution be adopted. Are there any remarks? Those in favor say aye. Those opposed, say no. It is carried.

1 1 1

Doctor Gilman: Report and resolution of the Committee of One for voluntary health insurance.

REPORT AND RESOLUTION OF THE COMMITTEE OF ONE FOR  
VOLUNTARY INSURANCE (PRESENTED IN THE MAJORITY  
REPORT OF THE COMMITTEE OF FIVE)

This report as submitted consists of:

1. A preamble;
2. An outline of a plan;
3. A resolution embodying the principles of a voluntary health insurance plan to be considered by the California Medical Association.

Your committee recommends that the report be amended to delete x-ray, laboratory, and anesthesia from the hospital services. If the House of Delegates adopt the principle contained in this report as amended, the House of Delegates should not commit itself to the detailed provisions of the specific plan (Part II of the report), but should have the Council or other delegated body free to modify details after conference with all other interests involved, and to adopt and support any plan of voluntary service consistent with said principles.

Your Reference Committee recommends the combination of the preamble and resolution submitted with another resolution at this time.

F. N. SCATENA  
P. K. GILMAN  
LOWELL S. GOIN

That is the recommendation of your committee, and the one to which we have referred in the reading of this report of the Committee of One for compulsory insurance.

1 1 1

Doctor Chandler: I arise to a point of information only. In voting on these resolutions, are we to be governed by a two-thirds majority or a bare 51 per cent?

The Speaker: Fifty-one per cent.

Doctor Chandler: I move that we adopt no resolution except by a two-thirds majority in favor of it.

The Speaker: Is there a second?

Doctor Scott: I second it.

The Speaker: It is moved by Doctor Chandler and seconded by Doctor Scott that a two-thirds majority be required to adopt any of these resolutions.

The Speaker: It has been moved and seconded that a two-thirds majority vote be required to adopt any of these resolutions. Those of you in favor will say aye. Opposed, no. The Chair is unable to determine. Those in favor will please rise and remain standing.

The Secretary: Forty.

The Speaker: Those opposed will please rise and remain standing.

The Secretary: There are sufficient rising to defeat it.

The Speaker: The motion is lost.

1 1 1

The Speaker: Now, gentlemen, a motion is in order in regard to the adoption of the resolution just read.

Doctor Gilman: The chairman of Reference Committee No. 1 moves the adoption of this resolution.

The Speaker: Is there a second?

Doctor Powell: I request the privilege of the floor to discuss it.

The Speaker: The motion has not been seconded yet.

Doctor Maxon: I will second it.

The Speaker: It is now open for discussion. Doctor Powell.

The Speaker: I think that we should discuss this fully, and I don't think that anybody who wants to talk should be kept from talking.

Doctor Ingber: I move to recess for one hour.

The Speaker: Is there a second?

A Doctor: I second it.

The Speaker: All in favor of recessing for one hour say aye. Those opposed, no. The ayes have it. (Whereupon a recess was taken for one hour.)

RECESS OF ONE HOUR

The House reconvened at 1:30 p. m.

The Speaker: I would like to announce at this time that we are still in executive session as passed by resolution yesterday, but if there is no objection the members of the State Dental Executive Board of the State Dental Society are meeting across the street, and I think if any of those men come over we will ask them to take seats in the back of the hall, if there is no objection. I would like to appoint a press release committee at this time, if there is no objection, consisting of Doctors J. B. Harris, Philip Gilman, William Molony, Harry Wilson, and George Kress, so that if any of the rest of you are approached by newspaper men, please refer them to the committee. Also the chairman of the Council, and the secretary, are appointed a committee to edit the minutes of this session and have them printed. Any inaccuracies will be corrected at the annual meeting at Yosemite.

Now, gentlemen, there are a number of our members from out of town who have to catch evening trains, and we do not want those men to have to go before these very important things are acted upon. Now, while there is no desire or inclination in the world to limit discussion, we will have to bear that in mind.

Doctor Wilson spoke.

Discussion was participated in by Doctors Powell, Shepherd, Ullmann, Lawson, Packard, Foster, Yoell, Wilson, Broadus, Anderson, Sciaroni.

1 1 1

The Speaker: Those in favor of having the question without further debate, please say aye. Those opposed, no. Those in favor of limiting the debate on the question, say aye. Those opposed, no. Carried. It is moved and seconded that the recommendations of the committee upon this resolution be adopted.

Doctor Roblee: May we have a five-minute recess for district caucus?

The Speaker: I think we had better have the vote first.

Voices: Roll call.

The Speaker: What is the desire? Shall we have a five-minute recess for district caucus?

Voices: No.

A Voice: No, we haven't time. May the resolution be read again?

The Speaker: Do you want the resolution re-read?

Voices: No, no.

The Speaker: Those in favor will please rise. We are voting on the motion. You are voting on the adoption of the resolution and the recommendation of the committee. How many, Mr. Secretary?

The Secretary: Forty-eight.

The Speaker: Those opposed will please rise.

The Secretary: Sixty-three noes.

The Speaker: The vote is 48 for, 63 noes. The motion is lost. Doctor Gilman will read the next recommendation of the committee.



Doctor Gilman: Your committee recommends amending the above resolution as follows: Now, therefore, be it Resolved, That the House of Delegates of the California Medical Association recommends that legislation be proposed seeking to establish a health insurance system which shall include the following principles:

(Reads principles.)

F. N. SCATENA  
P. K. GILMAN  
LOWELL S. GOIN

**RESOLUTION NO. 2, INTRODUCED BY DR. IRVING S. INGBER**

**WHEREAS**, The studies of the Committee of Five of the California Medical Association have shown the inability of a certain percentage of our population to adequately finance the cost entailed by illness; and

**WHEREAS**, Because of this economic situation proper medical care is beyond the reach of this population group; and

**WHEREAS**, It has been established that this problem can be alleviated by the utilization of the insurance principle; now therefore be it

*Resolved*, That the House of Delegates of the California Medical Association recommends that legislation be proposed seeking to establish a health insurance system, mandatory as to certain population groups and voluntary as to certain population groups, which shall include the following principles:

1. The patient shall have absolutely free choice of physician and hospital.

2. The medical profession shall determine the scope, extent, standards, quality, compensation paid for, and all other matters and things related to, the medical and medical auxiliary services rendered under the system.

3. There shall be no provision for cash benefits.

4. The patient shall receive adequate treatment and his physician shall receive adequate compensation.

5. The foregoing principles shall be maintained with such modifications thereof as may from time to time be recommended or approved by the profession; and be it further

*Resolved*, That the California Medical Association immediately offer its full aid and coöperation to the Interim Committee of the Senate of the State of California charged with the study of this problem, to the end that any measure which shall be passed establishing a health insurance system at the 1935 session of the California Legislature shall contain the above principles; and be it further

*Resolved*, That there be formed a special committee authorized and empowered to act herein, constituted as follows: The Legislative Committee of the Association and three members of the Association to be appointed by the Speaker of the House.

Doctor Gilman: That is the original resolution as submitted to your committee. Your committee modified the resolution as follows:

(Reads resolution as modified by the committee.)

Your committee, after correcting and changing the resolution, as I read it, recommends amending that changed resolution as follows: (Reading changes of bill.)

I move that it pass.

The Speaker: The adoption of this resolution has been moved. Is there a second?

Doctor Chandler: I second it.

The Speaker: The motion is now open to discussion.

Doctor Ingber: After staying in the Resolution Committee until midnight last night, we all agreed and accepted certain changes in the original resolution, which contained in the paragraph thereof the lines "that the House of Delegates of the California Medical Association discuss that legislation and the proposal seeking to establish a health insurance system mandatory as to certain population groups, and voluntary as to certain population groups, which shall include the

following principles," and I went home and went to bed and thought that was the end of it. This morning when I arrived here I was told that it had been changed again, although we had had no opportunity of conference, and the change then was the deletion of the mandatory and the voluntary lines. Now, I ask for consideration of the resolution on the original resolution as first amended, leaving in the mandatory and voluntary, and it is only fair that shall be done, otherwise it is no recommendation at all, and we are in a position where we sent our committee up to Sacramento after a year's work and the expenditure of \$84,000, and the unanimous opinion of the Advisory Committee and the Committee of Five that something definite shall be done, and the recommendation is compulsory and voluntary, and we get up there with nothing. You cannot do that, gentlemen, and I think it is fair that this original resolution as first amended shall be the resolution which should be presented to the House.

The Speaker: The only way that can be presented, Doctor Ingber, is for someone to move that the recommendation be amended.

Doctor Yoell: I move that the recommendation be so amended: That the first amendment be submitted and received in order.

A Doctor: I second it.

The Speaker: Will someone make a motion that the recommendations of the committee be amended, and then state what those amendments are? State definitely what amendments you want to make to the recommendation as read by Doctor Gilman.

Doctor Ingber: I wish to make the amendment that the lines "mandatory as to certain population groups," and "voluntary as to certain population groups," remain in the resolution.

Doctor Yoell: I second the motion.

The Speaker: Now, of course, in voting on this amendment you are not adopting the resolution. You are only amending it for consideration. Are there any remarks?

(Cries of "Question.")

The Speaker: Those in favor of the amendment as moved will say, aye. Opposed, no. The motion seems to be lost.

Voices: No, no.

The Speaker: Those in favor will please stand. Those opposed will stand. I think that is sufficient. The motion is carried, and the amendment is adopted.\*

\* \* \*

Doctor Ingber: May I present this resolution to the House?

The Speaker: Doctor Ingber has the floor.

Doctor Ingber: I wish to present the following resolution for the consideration of the House of Delegates. (Reading:)

"Whereas, the studies of the Committee of Five—  
(Reads resolution.)

Doctor Wilson: I would like to have the doctor determine first what group is going to determine what constitutes medical control, and if we accept compulsion and do recommend through the committee to the Interim Committee, and then do not get the things which we wish, are we going to withdraw and take our licking after we have committed ourselves?

(Cries of "Question.")

The Speaker: Doctor Burns.

A Voice: Is there a second?

The Speaker: Roy Brooks seconded it.

The following discussed the question: Doctors Burns, Dietrich, Harris, Molony, Moody.

The Speaker: It has been moved and seconded that the recommendation of the committee as amended be adopted.

The Speaker: It has been moved and seconded that the recommendation of the committee as amended be adopted. Those in favor say, aye.

\* Editor's Note.—The Revised Ingber Resolution No. 2, as adopted by the House of Delegates on March 3, 1935, is printed in this issue on page 187.

Doctor Brooks: I move that this resolution be adopted unanimously.

Doctor Green: I second it.

The Speaker: It has been moved and seconded that the vote on this question be made unanimous. Are there any remarks?

Doctor Schaupp: We asked for an expression of opinion. I think that we should not give out misinformation as to what action happened here. I think it should not be unanimous.

Doctor Crosby: Feeling that this is fraught with many questionable things in the minds of many of us, I think that the honesty of purpose, the honesty of vision of the people who have presented this can not be questioned, but I do not think, however, that it should not be made unanimous.

The Speaker: Any other remarks?

Doctor Brooks: My idea in making this motion was this, that we live in a republican form of government, and after a question has been fully discussed, both pro and con, and then voted upon, it is the custom in this country to follow the majority, and one other thing is the effect it would have at Sacramento if we went up there with the understanding that this resolution went through the House unanimously. I think it has a second to it. If it is the pleasure of the House of Delegates that I withdraw the motion, I will be glad to do it.

(Calls of question.)

The Speaker: I think inasmuch as it is obviously not unanimous it would be better to withdraw it.

Doctor Brooks: I so do.

The Speaker: Who seconded the motion?

Doctor Green: I did.

The Speaker: Doctor Green seconded it.

Doctor Green: I withdraw it.

The Speaker: Doctor Green seconded it, but he withdraws his second, and it is withdrawn.

#### THE MINORITY REPORT ON THE REPORT OF THE COMMITTEE OF FIVE

Doctor Gilman: (Reading) "The minority report of the Committee of Five."

Doctor Yoell: That is my report. If it is the pleasure of the House, I will withdraw it.

The Speaker: If there is no objection, Doctor Yoell will be permitted to withdraw his report from consideration.

Doctor Gilman:

#### COUNCIL RECOMMENDATIONS

The questions upon which the Council has requested your determination have (with the exception here and after noted) been presented to you in the various resolutions reported upon by this committee. The one exception is:

If the House of Delegates favors a compulsory plan of health insurance, shall it be provided by legislative enactment, initiative act or constitutional amendment?

Two points are involved in this question:

(1) Would a statute passed by the legislature providing for a compulsory system be constitutional?

(2) Assuming that such a law would be constitutional, does the Association as a matter of judgment favor entering upon such a plan in which the minimum fundamental principles are of such vital importance to the public and profession by means of a legislative enactment subject to possible destructive amendment at each succeeding session of the legislature?

The committee recommends that any compulsory health insurance system approved by the House of Delegates containing the fundamental principles which it is vitally necessary to maintain should be enacted by an initiative measure. Such a measure can be so drawn that any specified provisions thereof can thereafter be amended by another initiative measure.

The committee recommends the adoption of this principle by the House and that the whole determination of this vital question rests with the House.

F. N. SCATENA  
P. K. GILMAN  
LOWELL S. GOIN

The Speaker: Doctor Yoell.

Doctor Yoell: I move that the matters under consideration in that report be submitted to the committee that was created by the previous motion. That is properly and technically a legal matter, and the question would necessarily be passed on by them.

I hesitate to take the floor again, but there are two very interesting points brought up here that are questions of legal technique. It would be a tremendous advantage if the fundamental points of this bill, whatever the bill is that comes up, be carried and authenticated, so to speak, by an initiative or a constitutional amendment, but apparently on the opinion of briefs of excellent attorneys, the legislature can act and then have this question referred, if it wishes, to an initiative, and if the legislature acts and any one wishes to challenge the constitutionality of that, they can do so before that is submitted to the people. If we say to this committee that they shall only wait for the constitutional initiative, we still may lose out, so if we turn this matter over to the committee and abide by the decision we can also have the legislature pass it, and call for an initiative at the same time, and we can work for that initiative.

Doctor Brooks: I second that motion.

The Speaker: Are there any other remarks? It has been moved and seconded that this matter of legislation on initiative or referendum be not determined at this time, but that it be submitted to the committee consisting of the legislative committee and of the three which has been ordered by the previous action of the House.

Doctor Chandler: There is a resolution to be referred to Committee No. 2 in the House at a later time on this matter which covers the technical features that the Legislative Committee and its counsel will need to further the purposes expressed in the first resolution.

The Speaker: Any other remarks? Those in favor say, aye. Opposed, no. It is carried. The secretary reminds me, and he is correct, that there should be a motion that the report of the Reference Committee No. 1, as amended, be adopted as a whole.

Doctor Ullmann: I make that motion.

Doctor Kelly: I second it.

The Speaker: It is moved and seconded that the report as a whole be approved. Those in favor say aye. Opposed, no. Carried.

#### REPORTS OF REFERENCE COMMITTEE No. 2

The Speaker: Now, Doctor Howson, chairman of Committee No. 2.

Doctor Howson: (Reading) "Report of Reference Committee No. 2." (Reads.)

There is also the further resolution that was submitted this morning by Doctor Scatena. This resolution has been amended to read as follows:

#### RESOLUTION PRESENTED BY DOCTOR SCATENA AS AMENDED BY REFERENCE COMMITTEE NO. 2

WHEREAS, The House of Delegates of the California Medical Association have indicated their desire to support a form of sickness insurance; now, therefore, be it

*Resolved*, That the Council and the Legislative Committee of the Association are hereby authorized and empowered to meet any contingencies arising in the legislature or elsewhere by supporting or opposing any measures relating to medical or hospital service or sickness insurance, taking such action as will in the opinion of the Council best subserve and

fulfill the principles and the plans laid down by the House of Delegates.

Recommended do pass.

REFERENCE COMMITTEE NO. 2,  
L. R. CHANDLER  
GEORGE H. KRESS  
CARL R. HOWSON

Your committee recommends the passage of this resolution.

Doctor Bolin: I second the motion.

The Speaker: It has been moved and seconded that this resolution be adopted. Are there any remarks?

(Cries of, "Question.")

The Speaker: Those in favor say aye. Opposed no. Carried.

Doctor Howson:

COUNCIL RESOLUTION A AS AMENDED BY REFERENCE  
COMMITTEE NO. 2

WHEREAS, It appears that efforts may be made at the present session of the legislature to legalize the practice of medicine for profit by corporations, as insurance or otherwise; be it

*Resolved*, That the California Medical Association condemns and is opposed to all legislation which would be inimical to public health and/or destructive to proper standards of medical service.

Recommend do pass.

REFERENCE COMMITTEE NO. 2,  
L. R. CHANDLER  
GEORGE H. KRESS  
CARL R. HOWSON

Your committee recommends that this resolution do pass.

Doctor Madsen: I second the motion.

The Speaker: Are there any remarks? Those in favor say, aye. Opposed, no. Carried.

Doctor Howson: (Reading) As amended.  
(Resolution read.)

COUNCIL RESOLUTION B AS AMENDED BY REFERENCE  
COMMITTEE NO. 2

WHEREAS, Bills have been introduced in the legislature opening county hospitals to all who apply for admittance, even though the applicants possess the means to pay for private hospital and medical service; and

WHEREAS, The enactment of any such legislation would throw an unnecessary and unjust burden upon the taxpayers of the county, and would tend to destroy large investments in existing private hospitals; now, therefore, be it

*Resolved*, That the California Medical Association is strongly opposed to such legislation.

Recommend do pass.

REFERENCE COMMITTEE NO. 2,  
L. R. CHANDLER  
GEORGE H. KRESS  
CARL R. HOWSON

Your committee recommends that this resolution do pass.

Doctor Ullmann: I second it.

(Cries of, "Question.")

The Speaker: Those in favor say aye. Opposed no. Carried.

Doctor Howson: Council Resolution C, as amended.  
(Reads.)

COUNCIL RESOLUTION C AS AMENDED BY REFERENCE  
COMMITTEE NO. 2

WHEREAS, There has been no coördinated statewide plan for the care of the sick on unemployment relief in California; and

WHEREAS, The Federal Administration has recognized the fundamental character of medical care by grouping it with food, shelter and clothing in its relief plans; and

WHEREAS, The physicians of California who have been giving of their time and skill in the care of the sick on unemployment relief should not be expected to bear this burden any more than those citizens providing the other necessities of life; and

WHEREAS, The California Medical Association and various county medical associations in California have repeatedly offered and made available their services for furnishing such care, but without avail; now, therefore, be it

*Resolved*, That the House of Delegates of the California Medical Association deplores the delay of the Federal and State Emergency Relief Administration in establishing a proper plan in conjunction with organized medicine and its allied professional groups, and urges that all interfering matters be subordinated to the early establishment of proper medical care for the sick upon unemployment relief in California.

Recommend do pass.

REFERENCE COMMITTEE NO. 2,  
L. R. CHANDLER  
GEORGE H. KRESS  
CARL R. HOWSON

Your committee moves the adoption of that resolution.

Doctor Green: I second it.

The Speaker: Any discussion?

(Cries of, "Question.")

The Speaker: Those in favor say aye. Opposed no. Carried.

Doctor Howson: This is the first of the two resolutions into which the committee split the resolution presented by Dr. C. Max Anderson, as amended.

RESOLUTION PRESENTED BY DR. C. MAX ANDERSON, AS AMENDED  
BY REFERENCE COMMITTEE NO. 2

WHEREAS, It appears that the cost of medical care is at times a serious burden to the average family, and that the economic spread of its cost is not only desirable but essential to the welfare of society; and

WHEREAS, The medical profession is being pauperized, and a pauperized medical profession cannot give to the people of this country the class of medical service which they expect and demand; and

WHEREAS, The plans of medical service in Europe are unsatisfactory for this country; and

WHEREAS, Most of the plans being advanced in this country are the entering wedge for socialized medicine, which we oppose as inimical to the best interests of society and the profession; and

WHEREAS, We believe that the free choice of physician is essential to the proper physician-patient relationship; and

WHEREAS, We believe there should be no intervention of laymen between doctor and patient; and

WHEREAS, There should be no regimentation and subjugation of the medical profession by lay authority; and

WHEREAS, Commercialization of medicine is to be avoided; and

WHEREAS, Political abuses are inherent in most schemes of health insurance; and

WHEREAS, We are opposed to the medical profession entering the insurance field itself; and

WHEREAS, We believe a limited insurance association subsidized and controlled by the State is the best and most satisfactory solution of the problem; now, therefore, be it

*Resolved*, By this House of Delegates that a bill for a plan of mutual cash benefits for sickness on a true insurance basis, payment being made to the insured in cash and not in service, be prepared by the proper

committee and presented to the State legislature, this payment to be in such form that the insured could apply it only to payment for medical care.

Submitted without recommendation.

REFERENCE COMMITTEE, No. 2,

L. R. CHANDLER  
GEORGE H. KRESS  
CARL R. HOWSON

This resolution is submitted without recommendation.

Doctor Moody: I move its passage.

Doctor Ingber: I second it.

The Speaker: Any discussion?

(Cries of question.)

The Speaker: Those in favor say aye. Opposed no. I believe I will ask Doctor Howson to read that again. There seems to be a little bit of doubt about what it is. (Resolution again read.)

The Speaker: We will take the vote again. Are there any remarks?

Doctor Shephard: There is just one thing that comes to my mind in reference to that resolution. It can be very easily interpreted from the standpoint of the socially-minded individual that they will leave it up to that Board on furthering their ideas of opening the county hospitals and having the indigent taken care of by a full paid staff, such as they are trying to do over in Kern County. While I think we are all in sympathy with the amending of the resolution and what the Doctor has in mind, but as a matter of political expediency it might be well to keep quiet on it at this time.

The Speaker: Any further remarks? Those in favor will say, aye. Opposed, no. The motion seems to be lost. The motion is lost.

✓ ✓ ✓

Doctor Howson: The second resolution by Doctor Anderson.

RESOLUTION PRESENTED BY DR. C. MAX ANDERSON, AS AMENDED  
BY REFERENCE COMMITTEE NO. 2

WHEREAS, The medical profession have too long carried the load of the cost of sickness of the indigent patient; and

WHEREAS, The large class of people unable to pay for medical care is the responsibility of the public; now, therefore, be it

*Resolved*, By this House of Delegates in special session assembled, that it is the sense of these delegates that the financial burden of medical care for the indigent should be lifted from the backs of the members of the medical profession and placed where it belongs as a financial responsibility of the public.

Submitted without recommendation.

REFERENCE COMMITTEE No. 2,

L. R. CHANDLER  
GEORGE H. KRESS  
CARL R. HOWSON

This resolution is submitted by your committee without recommendation.

The Speaker: A motion is now in order.

Doctor Porter: I move it do not pass.

Doctor Crosby: I second the motion.

The Speaker: Doctor Porter moves it do not pass, and that is seconded by Doctor Crosby. Those in favor say, aye. Those opposed, no. Carried.

✓ ✓ ✓

Doctor Howson: I move the report of the committee as a whole be adopted.

Doctor Reiss: I second it.

The Speaker: It is moved and seconded that the report of Reference Committee No. 2 be adopted as a whole. Any remarks? Those in favor say, aye. Opposed, no. Carried. We are almost through, gentlemen.

RESOLUTION OF THANKS TO THE LOS ANGELES COUNTY  
MEDICAL ASSOCIATION

Doctor Ingber: I wish to present this resolution:

*Resolved*, That it is the sense of this House of Delegates that we thank the Los Angeles County Medical

Association for the very unusual courtesies they have extended us; for the very gracious reception they have given us in this beautiful and most convenient place of assembly; for the splendid spreading of the fat of the land on their tables so that we might be fortified to proceed with our deliberations; and lastly, because the spirit of good fellowship which they did so much to create has made it possible that we carry home to our confrères the message that at Los Angeles in March, 1935, California medicine met its responsibilities.

Doctor Powell: I second it.

The Speaker: You have heard the motion. Are there any remarks?

Doctor Kelly: I would like to amend it to read that in addition to all of those things, which we thank them for in the first paragraph, that we thank them for the thunder storm yesterday afternoon.

The Speaker: That will go to the weather man. (Laughter.) Those in favor say aye. Opposed, no. Carried. The ayes seem to have it. The motion is carried.

RESOLUTION ON COÖPERATION WITH SENATE INTERIM  
COMMITTEE

Doctor Molony: Mr. Speaker: I wish to present the following resolution:

*Resolved*, That the House of Delegates of the California Medical Association, in special session assembled at Los Angeles, California, this third day of March, 1935, hereby expresses its thanks and appreciation to the Interim Committee of the Senate of the State of California, consisting of Honorable Dan E. Williams (chairman), Honorable Edward H. Tickle, and the Honorable Leonard Difani, and Celestine Sullivan, for its coöperation with the Committee of Five and the Council of this Association in the study of problems of sickness costs and sickness insurance.

Doctor Molony: I move its adoption.

Doctor Ingber: I second the motion.

Doctor Yoell: I would like to amend that motion to include the secretary of that coördination committee, who has a definite function.

Doctor Kelly: I second it.

The Speaker: It is moved and seconded that the resolution be amended to include the coördinating secretary. Are there any remarks? Those in favor say aye. Opposed, no. The vote is now upon the original motion, as amended. Any remarks? Those in favor say, aye. Opposed, no. It is carried. I would like at this time to reannounce this Press Committee. Many of you who were not here did not hear that: Doctors J. B. Harris, Philip Gilman, William Molony, Harry Wilson, and George H. Kress. Please refer all newspapermen to this committee. Now, there will be a Council meeting immediately following our adjournment. Now, gentlemen, we have lots of time. We have heard a lot of good oratory, but we have time for a little more, and I am going to, without any warning to him, call on the president of the California Medical Association to address you. (Applause.)

REMARKS BY PRESIDENT TOLAND

Doctor Toland: Mr. Speaker and members of the House of Delegates: You know the Los Angeles County Medical Association—of course I can't help speak for it because I live here—certainly feels grateful to you and highly complimented by your presence during these deliberations. I want to say to you that I think I have heard some of the best arguments, both pro and con, during this meeting of any meeting of any other House of Delegates I ever attended. Some very consistent things were said, and some very good things were done, and you men have voted to do certain things. If we will carry on and stick together, we can do it. Let's work it out to a real great end.

I wish to say that the California Medical Association should compliment its Committee of Five for the enormous amount of work it has done. I have had the privilege to be present at several meetings, and it was an all-day meeting every time. The work was thoroughly done, and without any particular thought of trying to disturb any one group of men in this profession, be-

cause they were trying to come to some conclusion that would help you and help the people of the State of California. I wish to say they are great men, all of whom would be a credit to the profession of any state. I have had an opportunity to visit many of the county medical societies of the State where I have met many brilliant doctors all endeavoring to do something worth while for their fellow man and their colleagues.

Dr. Dodd, who is the director of the survey, has worked all the time. He has traveled up and down the coast not only in this state but other states and even in the east to obtain data that might have some bearing on our survey.

I wish you all to remember that the Interim Committee, when they have met with the members of the Council, have laid their cards on the table showing they are anxious to cooperate with us. Our Council and our Legislative Committee have shown the same spirit toward the Interim Committee.

I want to thank you very much and assure you that we of the Los Angeles County Medical Association appreciate the opportunity to entertain you during your stay in Los Angeles. Thank you.

**RESOLUTION OF THANKS TO THE COMMITTEE OF FIVE, THE DIRECTORS OF THE SURVEY, AND THE ADVISORY COMMITTEE**

Doctor Ingber: Mr. Chairman, if a resolution is in order, I would like to have a resolution passed thanking Doctor Dodd and the Advisory Committee, the Committee of Five, for their painstaking efforts in giving us one of the finest surveys ever made in the United States.

The Speaker: Doctor Dodd and staff.

Doctor Ingber: Yes, sir, and the advisory staff.

Doctor Landrock: I second it.

The Speaker: It is seconded by Doctor Landrock of Marin County. Any remarks? Those in favor say, aye. Opposed, no. Carried.

**REMARKS BY PRESIDENT-ELECT PEERS**

Now, gentlemen, I am sure you have enjoyed the address of the president, and I am sure you will enjoy the address of the president-elect just as well. (Applause.)

Doctor Peers: Mr. Speaker, and members of the House of Delegates: I thank you very much for that reception, as I also thank you for the great honor that you have given me last year. I want to say that I agree with the remarks of our president, except perhaps as they referred to the Committee of Five. I think that we should all work together. I want to assure that, as an elected officer of this Association, elected by this House of Delegates, I will do everything in my power to carry out the wishes of the House of Delegates. (Applause.)

**REMARKS BY VICE-SPEAKER GRAVES**

The Speaker: Now, gentlemen, we have with us one of our officers who has not had a great deal to do because of my own selfishness, and that is the vice-speaker, Dr. John Graves.

Doctor Graves: Gentlemen: I would like to have you just understand that I not only agree, but like to repeat over and over again all the fine things that have been said of these committees, the Los Angeles County Medical Society, and all of the lovely things that you are entitled to.

A few years ago, three or four years ago, Ray Lyman Wilbur said—and as usual it has worked out that way—that the college professor is wrong, that the only way that the medical profession would ever go into any kind of a health insurance plan would be by the same method that a cat went across the carpet when you grabbed him by the tail and pulled him backward. (Laughter.) Now, we have proven that our good friend Doctor Wilbur was wrong, because you are not going across the carpet backward with a legislative committee on the part of the State of California pulling your tail. On the other hand, you are going like Colonel Roosevelt did at San Juan. When somebody complimented him upon his bravery in lead-

ing that charge, he said, "I didn't lead it, I had to go like hell to keep the boys from running over me." (Laughter.)

And so in that spirit, going ahead, shoulder to shoulder, and with a sure foot, I am sure that we will do a great deal for the people of California, and we are also going to protect all of our own legitimate interests, and even make things better. Thank you. (Applause.)

**REMARKS BY COUNCIL CHAIRMAN KELLY**

The Speaker: Now, gentlemen, there is one part of this Association which sometimes I think has not been fully appreciated, and that is the Council. I know after the adjournment of the Riverside meeting, which meeting lasted until 2 o'clock in the morning, I never was at any other time in my life so fatigued, and it was not because of the House of Delegates' meeting either. It was because of those Council meetings that drag on and drag on. We cannot help it. There was so much work to do. We met all day Friday, and all forenoon Saturday, and we had an adjourned meeting last night, and now we have another meeting tonight after we get through, and I am going to call on Tom Kelly, the chairman of the Council.

Doctor Kelly: Because the Council has to have an adjourned meeting after this House adjourns, I am going to make this short. I only want to express my appreciation at the way the Council has worked this year, and there has been plenty of work for the Council to do this year. The other thing that I want to say to the House of Delegates is that we sat here today and we voted a new departure in the medical practice in the United States. It was not an unanimous vote, and you could put me down in the book that I didn't vote to make it unanimous because I think that in this departure the men who didn't agree with it should still be on record as not having agreed with it, but that is the action of the House of Delegates and I want to urge all the delegates, no matter how they voted, now to go back home and to carry out what the House did, not try to put any sand in the gear boxes, because we are going to have a fine job at Sacramento, no matter how cooperative the Interim Committee itself is, in keeping the principles that we want to see in any bill that may be presented to the legislature, and the work of the Special Committee that was appointed today in the resolution to see that the bill was made up in the best form, and the work of the Council which we will have to do, and all of the work mentioned, will be materially aided by the solid front that Doctor Graves talked about. We have a job to do now. I don't think, unless some of you have had more or less contact with that legislature, that you realize what the committee has got to do in the next three or four months, and the only thing that will ease its work at all is a message from each one of you men back to his own county society to forget now that there are three kinds of medical practice, there is just one that we are going after at the present time to have it the way we want it. Thank you. (Applause.)

**REMARKS BY SECRETARY WARNSHUIS**

The Speaker: I have been trying to persuade our secretary to speak, but he says no, and I am going to call on him anyway. Dr. Fred Warnshuis.

Doctor Warnshuis: Mr. Speaker, President Toland, and President-Elect Doctor Peers, and members of the House of Delegates: I desire to express to you my sincere appreciation of the kind and cordial reception that you have given to me, and I want to embrace this opportunity of stating to you that as secretary of your Association I have no other object than to serve you and to carry out your wishes, and that whenever this office can be of service to you it is yours to command, and we shall respond. I thank you. (Applause.)

**REMARKS BY CHAIRMAN HARRIS OF THE COMMITTEE ON PUBLIC POLICY AND LEGISLATION**

The Speaker: Now, there is just one other man that I want to call on, and then a motion to adjourn will be in order. Since the Riverside meeting the body that

has been holding big in the California Medical Association has been the Committee of Five, but their work is about finished. The House of Delegates, which is the supreme body in the California Medical Association, has met here and they have accepted with approval the work of that committee. Now, the thing that is going to loom big in the next three months is this newly-created Legislative Committee, the three members of the Legislative Committee, as that committee already exists, and the three yet to be appointed. I am going to call on the chairman of the present Legislative Committee, Dr. J. B. Harris.

Doctor Harris: Mr. Speaker and members of the House of Delegates: I know that we have a big job before us, not only going through and watching for these Nubians in the woodpile, but of doing the work of putting forward this wonderful constructive business of legislation that you have handed us today. Luckily, I am physically now in good shape to carry on this work. (Applause.) I am like the Dutchman who was bet that he could not drink a bucket of beer without taking a breath, and he went out and returned in a few minutes and wiped off his mouth, and he says, "I can do it, I will bet you." (Laughter.)

I have been down for an extended vacation to Palm Springs. I have called on every member, I think, of the profession that does eye, nose and throat work and asked his advice, and they all told me to go to Palm Springs and get out of the fogs that exist in Sacramento—and it is pretty foggy there at times—and to get in the sunshine, and so I went out to Palm Springs. We saw cloudbursts and floods, thunder and lightning, snow-storms and sand-storms, and we went through rigors that would bring tears to the eyes of Admiral Byrd when I go to him and tell him about it.

A Voice: Did you get well?

Doctor Harris: Yes. I had to get well. I will fight to the finish. That is why I am so confident I will be able to carry on with this work. (Applause.)

The Speaker: Knowing June so well, I can't leave this hall without asking you to remember that I call upon all of you fellows here for a rising vote for June's past record in our behalf.

(A rising vote.)

#### ADJOURNMENT

Doctor Kelly: I move we adjourn, Mr. Speaker.

Doctor Ingber. I second the motion.

The Speaker: Those in favor will say, aye. Opposed, no. It seems to have carried.

Attest: F. C. WARNSHUIS, *Secretary*.

1 1 1

#### DELEGATES ATTENDING SPECIAL SESSION AT LOS ANGELES ON MARCH 2-3, 1935

(Note: Figures following names indicate dates of attendance)

(EX OFFICIO)	March		March
Toland, Clarence G.....	2-3	CONTRA COSTA COUNTY	
Peers, Robert A.....	2-3	Abbott, U. S.....	2-3
Palette, Edw. M.....	2-3		
Graves, John H.....	2-3	FRESNO COUNTY	
Kelly, T. Henshaw.....	2-3	Sciaroni, George H.....	2-3
Gibbons, M. R.....	2-3	Madden, Thomas.....	2-3
Schaupp, Karl L.....	2-3	Walker, George W.....	2-3
Dukes, Charles A.....	2-3		
Kress, George H.....	2-3	HUMBOLDT COUNTY	
Roblee, W. W.....	2-3	No delegate present	
Howson, Carl R.....	2-3		
Ullmann, Henry J.....	2-3	IMPERIAL COUNTY	
DeLappe, Fred R.....	2-3	Holleran, G. C.....	2-3
Phillips, Alfred L.....	2-3		
Hamlin, O. D.....	2-3	KERN COUNTY	
Schoff, C. E.....	2-3	Packard, L. A.....	2-3
Rogers, Henry S.....	2-3		
Wilson, Harry H.....	2-3	KINGS COUNTY	
Tanner, C. O.....	2-3	Pratt, B. H.....	2-3
Kiger, W. H.....	2-3		
Harris, J. B.....	2-3	LASSEN-PLUMAS COUNTIES	
ALAMEDA COUNTY		Martin, G. S.....	2-3
Adams, L. P.....	2-3		
Crosby, Daniel.....	2-3	MARIN COUNTY	
Dukes, C. A.....	2-3	Landrock, George M.....	2-3
Moore, Gertrude.....	2-3		
Glenn, R. A.....	2-3	MENDOCINO COUNTY	
Lawson, T. C.....	2-3	Cushman, Ruggles A.....	2-3
Makinson, F. R.....	2-3		
Meads, A. M.....	2-3	MERCED COUNTY	
Sargent, W. H.....	2-3	Parker, A. S.....	2-3
BUTTE COUNTY			
Enloe, N. T.....	2-3	MONTEREY COUNTY	
		Wolfsohn, Mast.....	2-3

NAPA COUNTY	March
Dawson, George I.....	2-3
ORANGE COUNTY	
Ball, D. R.....	2-3
Huffman, H. G.....	2-3
Maroon, S. J. L.....	2-3
PLACER COUNTY	
No delegate present	
LOS ANGELES COUNTY	
Anderson, C. Max.....	2-3
Axline, Joseph T.....	2-3
Blong, Peter H.....	2-3
*Breyer, J. H.....	2-3
*Briggs, Wilford.....	2-3
*Brown, Harry W.....	2-3
Burns, E. M.....	2-3
Clarke, Fred B.....	2-3
Crossan, John W.....	2-3
Crane, Jay J.....	2-3
Daniel, Wm. H.....	2-3
Dietrich, Henry.....	2-3
Dock, George.....	2
*Dunlop, John.....	2-3
Ghrist, Orrie E.....	2-3
Gleeton, Scott D.....	2-3
Godwin, Deon E.....	2-3
Goin, Lowell S.....	2-3
*Klein, J. M.....	2-3
Madsen, Leo J.....	2-3
Maner, George D.....	2-3
McKee, W. C.....	2-3
Molony, Wm. R., Sr.....	2-3
Moody, E. Earl.....	2-3
Nuttall, John P.....	2-3
Ramsay, Robert E.....	2-3
Reiss, Oscar.....	2-3
Ruddock, John C.....	2-3
Scott, A. J.....	2-3
Wessels, Walter.....	2-3
Snure, Henry.....	2-3
Stephens, Philip.....	2-3
Sturgeon, Charles T.....	2-3
*Swindt, Joseph H.....	3
Webber, W. T.....	3
Wilcox, Robert W.....	2-3
ALTERNATES	
Pottenger, F. M.....	2
Shuman, John.....	2-3
Larsen, Eric.....	2-3
RIVERSIDE COUNTY	
Carl, Thomas A.....	2-3
Coon, G. Wayland.....	2-3
SACRAMENTO COUNTY	
Hale, Nathan.....	3
Briggs, G. A.....	2-3
Scatena, Frederick.....	2-3
SAN BENITO COUNTY	
No delegate present	
SAN BERNARDINO COUNTY	
Gage, A. T.....	2
Hull, E. H.....	2-3
Whitmer, C. F.....	2
Gentry, H. G.....	3

SAN DIEGO COUNTY	March
Garth, W. L.....	2-3
Holder, Hall G.....	2-3
Huff, George D.....	2-3
*Ledford, R. M.....	2-3
McClendon, S. J.....	2-3
Kinney, Lyell C.....	3
SAN FRANCISCO COUNTY	
Bolin, Zera.....	2-3
Brooks, LeRoy.....	2-3
Bruck, Edwin L.....	2-3
Chandler, L. R.....	2-3
Garland, L. H.....	2-3
Gilman, Philip.....	2-3
Hosford, George N.....	2-3
Ingber, Irving.....	2-3
Kerr, Wm. J.....	2-3
Kilgore, Alson.....	2-3
Pierce, George W.....	2-3
Porter, Langley.....	2-3
Swett, Wilber F.....	2-3
Rhodes, George K.....	2-3
Thorne, I. W.....	2-3
Yoell, Rodney A.....	2-3
SAN JOAQUIN COUNTY	
Powell, Dewey.....	2-3
Broadus, C. A.....	2-3
SAN LUIS OBISPO COUNTY	
Sobey, G. L.....	2-3
SAN MATEO COUNTY	
Ray Hartzell H.....	2-3
SANTA BARBARA COUNTY	
Evans, Richard.....	2-3
Freidell, Hugh.....	2-3
SANTA CLARA COUNTY	
Canelo, C. Kelly.....	2-3
Kneeshaw, R. Stanley.....	2-3
Van Dalsem, S. B.....	2-3
Shepherd, J. H.....	2-3
SANTA CRUZ COUNTY	
No delegate present	
SHASTA COUNTY	
No delegate present	
SISKIYOU COUNTY	
Hart, V. W.....	2-3
SOLANO COUNTY	
Green, John W.....	2-3
SONOMA COUNTY	
Butler, F. O.....	2-3
STANISLAUS COUNTY	
Hartman, Hans.....	2-3
TEHAMA COUNTY	
Frey, R. G.....	2-3
TULARE COUNTY	
Kohn, Frank.....	2-3
VENTURA COUNTY	
Morrison, A. R.....	2-3
YOLO-COLUSA-GLENN COUNTIES	
Poage, C. A.....	2-3
YUBA-SUTTER COUNTIES	
Hamilton, R. L.....	2
* Did not attend.	

#### ADDENDA

##### MISCELLANEOUS RESOLUTIONS AND REFERENCES ON THE SUBJECT OF SICKNESS INSURANCE

**Report of Reference Committee—Special Session, House of Delegates of the American Medical Association, February 15 and 16, 1935.**—Your Reference Committee, believing that regimentation of the medical profession and lay control of medical practice will be fatal to medical progress and inevitably lower the quality of medical service now available to the American people, condemns unreservedly all propaganda, legislation or political manipulation leading to these ends.

Your Reference Committee has given careful consideration to the record by the Board of Trustees of the previous actions of this House of Delegates concerning sickness insurance and organized medical care and to the account of the measures taken by the Board of Trustees and the officials of the Association to present this point of view to the Government and to the people.

The American Medical Association, embracing in its membership some one hundred thousand of the physicians of the United States, is by far the largest medical organization in this country. The House of

Delegates would point out that the *American Medical Association is the only medical organization open to all reputable physicians and established on truly democratic principles, and that this House of Delegates, as constituted, is the only body truly representative of the medical profession.*

The House of Delegates commends the Board of Trustees and the officers of the Association for their efforts in presenting correctly, maintaining and promoting the policies and principles heretofore established by this body.

The primary considerations of the physicians constituting the American Medical Association are the welfare of the people, the preservation of their health and their care in sickness, the advancement of medical science, the improvement of medical care, and the provision of adequate medical service to all the people. These physicians are the only body in the United States qualified by experience and training to guide and suitably control plans for the provision of medical care. The fact that the quality of medical service to the people of the United States today is better than that of any other country in the world is evidence of the extent to which the American medical profession has fulfilled its obligations.

The House of Delegates of the American Medical Association reaffirms its opposition to all forms of compulsory sickness insurance whether administered by the Federal Government, the governments of the individual states, or by any individual industry, community or similar body. It reaffirms, also, its encouragement to local medical organizations to establish plans for the provision of adequate medical service for all of the people, adjusted to present economic conditions, by voluntary budgeting to meet the costs of illness.

The medical profession has given of its utmost to the American people, not only in this but in every previous emergency. It has never required compulsion, but has always volunteered its services in anticipation of their need.

The Committee on Economic Security, appointed by the President of the United States, presented in a preliminary report to Congress on January 17 eleven principles which that committee considered fundamental to a proposed plan of compulsory health insurance. The House of Delegates is glad to recognize that some of the fundamental considerations for an adequate, reliable and safe medical service established by the medical profession through years of experience in medical practice are found by the committee to be essential to its own plans.

However, so many inconsistencies and incompatibilities are apparent in the report of the President's Committee on Economic Security thus far presented that many more facts and details are necessary for a proper consideration.

The House of Delegates recognizes the necessity under conditions of emergency for federal aid in meeting basic needs of the indigent; it deprecates, however, any provision whereby federal subsidies for medical services are administered and controlled by a lay bureau. While the desirability of adequate medical service for crippled children and for the preservation of child and maternal health is beyond question, the House of Delegates deplors and protests those sections of the Wagner Bill which place in the Children's Bureau of the Department of Labor the responsibility for the administration of funds for these purposes.

The House of Delegates condemns as pernicious that section of the Wagner Bill which creates a social insurance board without specification of the character

of its personnel to administer functions essentially medical in character and demanding technical knowledge not available to those without medical training.

The so-called Epstein Bill, proposed by the American Association for Social Security now being promoted with propaganda in the individual states, is a vicious, deceptive, dangerous and demoralizing measure. An analysis of this proposed law has been published by the American Medical Association. It introduces such hazardous principles as multiple taxation, inordinate costs, extravagant administration, and an inevitable trend toward social and financial bankruptcy.

The committee has studied this whole matter from a broad standpoint, considering many plans submitted by the Bureau of Medical Economics as well as those conveyed in resolutions from the floor of the House of Delegates. It reiterates the fact that there is no model plan which is a cure-all for the social ills any more than there is a panacea for the physical ills that affect mankind. There are now more than 150 plans for medical service undergoing study and trial in various communities in the United States. Your Bureau of Medical Economics has studied these plans and is now ready and willing to advise medical societies in the creation and operation of such plans. The plans developed by the Bureau of Medical Economics will serve the people of the community in the prevention of disease, the maintenance of health and with curative care in illness. They must at the same time meet apparent economic factors and protect the public welfare by safeguarding to the medical profession the functions of control of medical standards and the continued advancement of medical educational requirements. They must not destroy that initiative which is vital to the highest type of medical service.

In the establishment of all such plans, county medical societies must be guided by the ten fundamental principles adopted by this House of Delegates at the annual session in June, 1934.\* The House of Delegates would again emphasize particularly the necessity for separate provision for hospital facilities and the physician's services. Payment for medical service, whether by prepayment plans, installment purchase, or so-called voluntary hospital insurance plans, must hold, as absolutely distinct, remuneration for hospital care on the one hand and the individual, personal, scientific ministrations of the physicians on the other.

Your Reference Committee suggests that the Board of Trustees request the Bureau of Medical Economics to study further the plans now existing and such as may develop, with special reference to the way in which they meet the needs of their communities, to the costs of operation, to the quality of service rendered, the effects of such service on the medical profession, the applicability to rural, village, urban and industrial population, and to develop for presentation at the meeting of the American Medical Association in June model skeleton plans adapted to the needs of populations of various types.

(Signed) Dr. Harry H. Wilson, Chairman,  
California  
Dr. Warren F. Draper, Virginia  
Dr. E. F. Cody, Massachusetts  
Dr. E. H. Carey, Texas  
Dr. N. B. Van Etten, New York  
Dr. F. S. Crockett, Indiana  
Dr. W. F. Braasch, Minnesota

\*EDITOR'S NOTE: See page 52 of the July, 1934, issue of CALIFORNIA AND WESTERN MEDICINE for a summary of the fundamental principles adopted at the Cleveland session of the American Medical Association.



## State Dental Society of California Pass Resolutions on Health Insurance\*

RESOLUTION ON HEALTH INSURANCE ADOPTED BY THE  
COUNCILS OF THE CALIFORNIA AND SOUTHERN  
CALIFORNIA STATE DENTAL ASSOCIATIONS

WHEREAS, The studies of the California Medical Economic Survey have shown the inability of a certain percentage of our population to adequately finance the cost entailed by dental services; and

WHEREAS, Because of this economic situation it appears that proper dental care is beyond the reach of this population group; and

WHEREAS, It has been established that this problem can be alleviated by the utilization of the insurance principle; and

WHEREAS, A resolution of parallel intention has been adopted by the California Medical Association covering medical and hospital attention; now therefore be it

*Resolved*, That the Councils of the California and Southern California State Dental Associations recommend that legislation be proposed seeking to establish a health insurance system, mandatory as to certain population groups and voluntary as to certain population groups, which shall include the following principles:

1. The patient shall have absolutely free choice of dentist and hospital.
2. The dental professions shall through their representative organization determine the scope, extent, standards, quality, compensation paid for, and all other matters and things related to, dental, and dental auxiliary services rendered under the system.
3. There shall be no provision for cash benefits.
4. The patient shall receive adequate treatment and his dentist shall receive adequate compensation.
5. The foregoing principles shall be maintained with such modifications thereof as may from time to time be recommended, or approved by the profession. and be it further

*Resolved*, That the California and Southern California State Dental Associations immediately offer their full aid and coöperation to the Interim Committee of the Senate of the State of California, charged with the study of this problem, and the California Medical Association, to the end that any measure which shall be passed establishing a health insurance system at the 1935 session of the California Legislature shall contain the above principles; and be it further

*Resolved*, That there be formed a special committee authorized and empowered to act herein, constituted as follows: The presidents of the California and Southern California State Dental Associations, the chairmen of the Legislative Committees of the California and Southern California State Dental Associations, J. Franklyn Cook, and Ernest G. Sloman.

**Association of California Hospitals: Its Viewpoint of Sickness Insurance.**—The following letter of date of March 14, has been received by the editor:

"At the San Francisco Convention of the Western Hospital Association a California state association was set up known as the Association of California Hospitals. This Association took over all activities from the Western Hospital Association which concerned California hospitals.

"As President of this Association I wish to definitely offer our coöperation with the officers of the California Medical Association in working out our many complex, mutual problems. The hospital executives of California have only one objective in mind and that is to keep the California hospitals outstanding institutions rendering a truly public service and coöperating with the doctors of medicine in keeping the hospitals on an ethical basis.

\*To the Editor.—Enclosed please find a copy of the resolution adopted at a Joint Meeting of the Councils of the California and Southern California State Dental Associations in San Francisco on March 10, 1935. As you will recognize—it is nearly identical with the resolution adopted by the House of Delegates of the California State Medical Association at its meeting on Sunday, March 3, 1935, in Los Angeles.—Ernest G. Sloman, D. D.

"One of the big problems facing us at the present time is compulsory health insurance. The hospitals have been studying this proposition for some time and feel that there may be some solution of the acute hospitalization problem through compulsory health insurance by holding back the inroad of government institutions, which in reality works the same handicap for the medical profession. We, however, see many pitfalls with compulsory health insurance. We are practically of one mind that compulsory health insurance must be constructed and administered by medical men. I wish to also make it very emphatic that the hospitals of this Association as a group have formulated no set program and have never proposed any plan of compulsory health insurance.

"We have a Special Committee, namely, Ellard L. Slack, G. Waite Curtis, and R. E. Heerman, who have been delegated to work with your Association and other interested groups in proposing legislation that will be of the utmost service to the public. We believe this can be accomplished and still adhere to the following basic principles:

"First: That it must give free choice of physician and hospital.

"Second: That it must insure the patient securing practically the same high quality service as he is now receiving and eliminate some of the hazards that have grown up under socialized medicine and industrial medicine.

"Third: That hospitals should be paid adequate compensation to render high class hospital service and not be subject to cut-throat competition.

"I am writing you this letter so that you might know the principles and ideals back of this Association, and our willingness to cooperate in working out a solution of the problem so that this vital service to the public may be constructed in line with the interests of the ethical doctor of medicine."

Signed

R. E. Heerman, President.

1414 South Hope Street, Los Angeles.

**The Next Steps.\***—In all the addresses in this series certain facts have been emphasized again and again. By common consent the maintenance and improvement of health is a primary concern of every individual and therefore of organized society. It is well known that illness is no respecter of persons and constitutes the leading hazard in the life of the individual and of the family. The brilliant advances in medical knowledge of the last fifty years have greatly improved the weapons at our disposal both for the prevention and the treatment of disease, but unfortunately they remain largely unapplied. We have then two main problems confronting us as a people, first the more effective prevention of preventable disease, and second the wider availability of expert medical care. . . .

When we come to the problem of adequate medical care for the American people the steps to take are by no means so evident. There has long been a common impression that a large proportion of the public receives inadequate medical attention, but the facts brought out by the Committee on the Costs of Medical Care have shown a situation that cannot be disregarded and the condition is growing worse. . . .

Nothing could be more unjust than to charge the medical profession with responsibility. Not only the ideals but the practice of that profession entail an enormous amount of unremunerative work. In every community of the country the doctor has carried his load of unpaid service and too often without recognition of any sort. And as the years have passed the doctor's economic lot has reached a crisis. In 1929 one-third of all American physicians had net incomes of less than \$2500 a year and one-half of them less than \$3800. The Committee on the Costs of Medical Care found that if the incomes of private general physicians were graded

\*Excerpts from an address by Livingston Farrand, in the Public Health Series (Lecture 19). Sponsored by the National Advisory Council on Radio in Education

in income groups of \$1000, more would be found in the \$1000-\$2000 class than in any other.

Our problem of course is not of the well-to-do or wealthy patient or of the medical specialist or general practitioner of large practice in our cities. The problem to be solved is that of the poor and middle class patient and of the average doctor, dentist and nurse.

The studies referred to have also shown that on a reasonable distribution there are nearly enough qualified physicians in the United States adequately to care for the people were it not for the unfortunate concentration of the profession in our cities. The inevitable consequence is that great rural areas are left with insufficient medical care or even totally without it.

The natural question at once arises whether, under the circumstances, the American people could afford to pay for the kind of medical service which modern knowledge indicates as desirable. The immediate answer is that the people already pay nearly enough in any normal year to buy medical service for everyone. The best estimates have shown that an expenditure of \$36 per capita a year would meet the demands of reasonable standards, and conservative estimates also show that today we spend in the United States about \$30 per capita a year but with the totally unsatisfactory results just described. What then is the answer?

Numerous attempts have been made and are being made by the medical profession to solve the difficulty. Group practice in various forms, local coöperative plans and devices aimed at the problem of small groups have helped the situation locally but have not significantly affected the national picture.

The only promising solution to our difficulty would seem to be some plan whereby the costs of medical care can be distributed over large groups through the application of some insurance principle. It may as well be recognized at once that people of small or moderate incomes cannot individually budget and meet the unpredictable expenses of illness, and the insurance principle, in whatever way or ways it may be worked out, offers the greatest hope of results.

This is, of course, no revolutionary proposal. Nearly all the countries of Europe in one form or another have adopted a sickness insurance plan. We are in the fortunate position of being able to profit by the experience of our sister nations and thereby to avoid some of the errors into which they have fallen.

There is no wisdom available today which can outline with certainty a health or sickness insurance plan which would be successfully applicable to the entire United States. Conditions vary not only with the geography of the country but with the industrial conditions which are characteristic of great areas. To legislate for New England as one would for the Southwest is obviously impracticable. *And it is undoubtedly wise that experiments should be tried and that no comprehensive plan in rigid terms should be forced upon the American people by hasty edict.* As is well known, this particular problem is being brought sharply into discussion and therefore to public attention by the studies and recommendations for social security emerging from Washington. If success is to be achieved certain broad principles must permeate every plan proposed.

The first and most fundamental principle is that full coöperation between the medical and dental professions and the public is essential. Any system which would tend to lower the quality of those professions would carry the seed of ultimate failure. The control of professional procedures and the maintenance of professional standards must remain in the hands of the professions charged with responsibility. The time-honored relation between patient and physician should be safeguarded in any plan. Fortunately there is no reason why these principles should be sacrificed. The problem is clearly economic and the method of payment for service is not primarily a professional matter. In the last instance it is simply a question of the capacity of the public to pay and the method of that payment will inevitably be determined by the public which pays. There is no apparent reason why systems of sickness insurance should not be devised which would work to the advantage of both physician and patient. Indeed such are already available.

I have said nothing about one aspect of this problem which is causing grave concern in all parts of the country, and that is the critical situation in which our hospitals find themselves. Private philanthropy to which so many of them have looked for support has found itself unable longer to carry the load. It is significant that these indispensable foundations are turning to group hospital insurance to meet at least a part of the unprovided costs.

I am purposely not attempting to suggest particular and specific schemes. Different states can and should try different plans and nothing but experience will indicate the best. . . .

The task of the moment and the purpose of this series of addresses is to call the people's attention to the condition which confronts them and to urge prompt but well considered action.

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**Medicine Moves Forward.**—The American Medical Association, in coöperation with the Broadcasting Company, on February 18, 1935 put out special broadcasts under the heading "Medicine Moves Forward." The speakers were Dr. Walter L. Bierring, President of the American Medical Association, Dr. Ray Lyman Wilbur, Chairman of the Council on Education and Hospitals of the American Medical Association, and Dr. W. W. Bauer, Director of the Association's Bureau of Health and Public Instruction. Dr. Morris Fishbein, Editor of *The Journal* of the American Medical Association and of *Hygeia*, the health magazine, introduced the speakers and spoke on the subject of sickness insurance.

Dr. Fishbein stated that copies of the speeches would be available and would be sent to all who wrote to the American Medical Association, 535 North Dearborn Street, Chicago.

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**British Hospital Contributory Schemes (Voluntary Health Insurance).**—Under this heading the March 1935 "Bulletin of the American College of Surgeons" prints an article by Sydney Lamb of Liverpool, England, General Secretary of the Merseyside Hospital Councils, Inc., in which is given a description of some of the voluntary hospital insurance plans now utilized by English workmen and their families. The article contains much interesting information on recent plans of voluntary sickness insurance and hospitalization, as now being carried out in some of the cities of England.

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**Sickness Bills by Installment:—Wayne (Pino) County Plan.**—The March issue of the "Survey Graphic" prints an article on the "Pino Plan" for the installment payments of medical bills for services supplied by the Wayne County (Michigan) Medical Society. In the article it is stated "Health insurance lies before the states and the nation as an issue in our search for security. Detroit doctors believe they are working out a better way to get medical care for all who need it. It has been widely cited as a model . . ."

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**Social Insurance Costs.**—"The Great Britain National Insurance Act began in a limited, experimental fashion in 1911 with some 2,250,000 workers. It applied only to certain trades. Amended half a dozen times to correct its imperfections it has had, almost from the first, a stormy existence. By 1931 it had rolled up a deficit of nearly two billion dollars (40,000,000 pounds) and royal commissions were sitting up nights to decide what was to be done about it."—*Saturday Evening Post*, December 15, 1934.

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"The will to be well includes the willing of the means proper to that purpose, and particularly regular exercise, several hours a day in the air, good simple food taken in sufficient quantity at three regular intervals, and the avoidance of such sources of worry as will disturb physical functions."